



3993 Howard Hughes Parkway, Suite 600
Las Vegas, NV 89169-5996
Facsimile (702) 949-8321
Telephone (702) 949-8320

Robert M. Charles Jr NV State Bar No. 006593
Email: RCharles@LRLaw.com
John Hinderaker AZ State Bar No. 018024
Email: JHinderaker@LRLaw.com

Attorneys for USACM Liquidating Trust

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

USA Commercial Mortgage Company,

Debtor.

Case No. BK-S-06-10725-LBR
Chapter 11

**Stipulated Motion to Resolve
Objections to Allowance of Proofs of
Claim Filed by Donald Redmon and
Donald E. and Jaylyle Redmon Family
Trust Dated 10/31/95; and Vacate
Status Hearing**

USACM Liquidating Trust (the "USACM Trust"), by and through its counsel, Lewis and Roca LLP ("Lewis and Roca"), and Donald Redmon and Donald E. Redmon & Jaylyle Redmon Family Trust Dated 10/31/95, c/o Jaylyle Redmon Trustee (collectively "Redmon") request that the Court approve the following stipulation entered into by and between the USCM Trust and Redmon:

Redmon filed proof of claim ("POC") No. 10725-00472 in the amount of \$50,824.65 based upon an investment in the Del Valle Livingston Loan and POC No. 10725-00473 in the amount of \$161,662.50 based upon investments in three other loans. The table below lists the proofs of claim, the loan related to each claim, the claim amount related to each loan and the docket entry of the USACM Trust's corresponding objection to the claim.

Claim No.	Loan Name	Claim Amount	Objection
10725-00472	Del Valle Livingston	\$50,824.65	DE 8534
10725-00473	Fiesta Oak Valley	\$50,541.67	DE 9074
10725-00473	Gramercy Court	\$60,600.00	DE 8053
10725-00473	Placer I	\$50,520.83	DE 8446

Redmon sent an informal response opposing the objections to counsel for the USACM Trust. Ms. Redmon informed counsel for the USACM Trust on the telephone that she intended to oppose all of the objections listed above. The USACM Trust has therefore agreed to allow Ms. Redmon to oppose all four of the objections listed above even though two of them have been sustained by the Court.

The USACM Trust objected to 100% of the claim based upon the Del Valle Livingston Loan [DE 8534]. That objection remains unresolved.

The USACM Trust objected to 80% of the claim based upon the Fiesta Oak Valley Loan, and moved to allow 20% of that claim [DE 9074]. This portion of the claim was 80% disallowed (\$40,433.34) and 20% allowed (\$10,108.33) [DE 9472].

The USACM Trust objected to 100% of the claim based upon the Gramercy Court Loan [DE 8053]. The Court sustained that objection and disallowed this portion of the claim [DE 8090].

The USACM Trust objected to 100% of the claim based upon the Placer I Loan [DE 8446]. This objection remains unresolved.

The USACM Trust and Jaylyle Redmon have continued to negotiate over the claims. Ms. Redmon has provided information and documentation to support the claims. The Trustee believes that the claims are invalid, but recognizes that it would cost significant Trust resources to pursue the objections through the mandatory settlement process to judgment. Thus, the Trustee is willing to settle the claims for an additional 10% of the amount invested in each loan rather than incurring attorneys' fees and expenses to challenge the claims. This 10% is in addition to any amounts that the USACM Trust has already agreed to allow.

Accordingly, the parties have agreed to settle POC No. 10725-00472 as follows:

Del Valle Livingston: Redmon will receive an allowed claim equal to 10% of the \$50,000 investment made in the Del Valle Livingston Loan (\$5,000) and the remaining 90% will be disallowed (\$45,000).

The parties have agreed to settle POC No. 10725-00473 as follows:

Fiesta Oak Valley: Redmon will receive an allowed claim equal to 30% of the \$50,000 investment in the Fiesta Oak Valley Loan (\$15,000) and the remaining 70% will be disallowed (\$35,000). The other Direct Lenders, including Redmon, received a 20% allowed claim for this loan. The prior order of the Court [DE 9472] allowing the claim should be considered superseded as it relates to POC No. 10725-00473;

Gramercy Court: Redmon will receive an allowed claim equal to 10% of the \$60,000 investment in the Gramercy Court Loan (\$6,000) and the remaining 90% will be disallowed (\$54,000). The prior order disallowing 100% of the claim [DE 8090] should be considered superseded as it relates to POC No. 10725-00473;

Placer I: Based upon the \$50,000 invested in the Placer I Loan, the claim will be 90% disallowed (\$45,000) and 10% allowed (\$5,000); and

Balance: To the extent that POC Nos. 10725-00472 and 00473 remain unresolved the remainder should be deemed disallowed.

Accordingly, POC No. 10725-00472 should be allowed as a non-priority unsecured claim in the amount of \$5,000 with the remainder disallowed. The USACM Trust asks that the Court authorize an immediate 4.92% distribution (\$246.00) to Redmon



1 as his *pro rata* share of the funds reserved by the Trust from the initial creditor distribution
2 for this claim.

3 Likewise, POC No. 10725-00473 should be allowed as a non-priority unsecured
4 claim in the amount of \$26,000 with the remainder disallowed. The USACM Trust asks
5 that the Court authorize an immediate 4.92% distribution (\$1,279.20) to Redmon as the
6 *pro-rata* share of the funds reserved by the Trust from the initial creditor distribution.

7 All other funds reserved by the USACM Trust for the Redmon Claims should be
8 released from the Disputed Claims Reserve and made available to the Trust for whatever
9 purpose is appropriate in the administration of the Trust.

10 Redmon will share in future distributions pro rata based upon the amount of their
11 allowed claims (\$5,000 and \$26,000). This includes the second distribution for 3.88% of
12 allowed claims approved by Order Authorizing Second Installment of Second Interim
13 Distribution [DE 9763].

14 The parties stipulate that the status hearing scheduled for April 19, 2012 at 10:00
15 a.m. should be vacated and the Court may enter an order approving the stipulation. The
16 parties shall bear their own attorneys' fees and costs.

17 LEWIS AND ROCA LLP

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19 By /s/ John Hinderaker (AZ #018024)
20 Robert M. Charles Jr. NV (#6593)
21 John Hinderaker (AZ 18024 *pro hac vice*)
Attorneys for USACM Liquidating Trust

22 Dated: April 10, 2012
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LEWIS
AND
ROCA
LLP
LAWYERS

1 /s/ Donald E. Redmon

Donald E. Redmon

2 51 Sanlo Lane

Mountain Home AR 72635

4 /s/ Donald E. Redmon

5 Donald E. Redmon,

Trustee of the Donald E. Redmon and Jaylyle Redmon Family Trust Dated 10/31/95

6 51 Sanlo Lane

Mountain Home AR 72635

8 /s/ Jaylyle Redmon

9 Jaylyle Redmon

51 Sanlo Lane

10 Mountain Home AR 72635